

Testimony

on behalf of the

Virginia Cattle Industry Board

with regard to

Future Agriculture Policy and the 2007 Farm Bill

submitted to the

U.S. House of Representatives- Committee on Agriculture

The Honorable Bob Goodlatte, Chairman

submitted by

Ernie Reeves

Member

**Virginia Cattle Industry Board
National Cattlemen's Beef Association**

**July 17, 2006
Staunton, Virginia**

Mr. Chairman, Members of the Committee, welcome to Augusta County and thank you for holding this hearing, allowing us the opportunity to provide input on the upcoming 2007 Farm Bill. My name is Ernie Reeves and I am a cattle and poultry producer in this county. I am a member and a past president of the Virginia Cattleman's Association, and serve on the Virginia Cattle Industry Board.

I would like to take this opportunity to thank Chairman Goodlatte and anyone else that assisted in the formation of the Virginia Poultry Growers' Cooperative some two years ago. Through the wages paid to employees, patronage refunds, dividends, and grower payments, this group has put seventy million dollars into our local economy in the first year and a half of operation.

Trade

As a cattle producer, I depend on grasslands and our natural resources to feed and care for my livestock. This enterprise allows me to generate economic activity on land that is generally unsuitable for the production of traditional cash crops such as corn or soybeans. During the past three years, cattlemen have enjoyed improved cash flows and returns as a result of improved demand for our products. We produce a healthy, nutritious, enjoyable protein source for consumers not only in this country, but in other international markets as well.

U.S. cattlemen have been and continue to be strong believers in international trade. We support aggressive negotiating positions to open markets and to remove unfair trade barriers to our product. We support government programs such as the Market Access Program and the Foreign Market Development Program which help expand opportunities for U.S. beef, and we urge sustained funding for these long-term market development efforts.

We also support Congressional and regulatory action to address unfair international trade barriers that hinder the exportation of U.S. beef after the discovery of BSE on December 23, 2003, in a Canadian cow in Washington State. As you are aware, we continue to fight to get our products into several countries. We ask that you continue to support the effort to see that sound science is being followed in bringing down these artificial trade barriers. To grow our business, we have to look outside of the U.S. borders to find 96% of the world's consumers. We encourage the Committee's continued strong and

vigilant oversight of the enforcement of any trade pact to which American agriculture is a party.

Conservation and the Environment

These same grasslands that I use for my cattle and livelihood also provide benefits for all the people of our community. Not only serving as greenspace and scenic vistas, this land also serves to preserve water quality, to provide habitats for wildlife, and as an area for recreational activities. Our particular farm has a brown trout fishery on Mossy Creek that is open to the public. These grasslands and forests also could be a carbon sink that captures and holds carbon and reduces CO2 in the atmosphere, and could be a potential source of biofuel in the quest to be more energy independent. I think we need more incentives to maintain open space on the most productive lands, for the many benefits to the whole community.

I would like to thank you for our local Natural Resources Conservation Service office. It provides invaluable technical assistance not only in the course of many programs administered by the NRCS office but also to supply answers and input to solve problems in the management of our operation. Cattlemen appreciate the funding provided for the numerous programs but we think that it is important that you maintain a level of funding for the technical assistance to manage the many programs and to provide the level of service that we have grown accustomed to.

In this county alone, roughly one million dollars is used annually through the programs administered through the NRCS, with a minority of operations participating, an example being that 200 out of 1691 actually participate in stream fencing. Greater participation would require more manpower for technical assistance and more money to reach a larger percentage of our operations.

Cattlemen are partners in conservation. Our livelihood is made on the land, so being good stewards of the land not only makes good environmental sense, it is fundamental for our land to stay strong and economically usable for future generations. Our industry is threatened every day by urban encroachment, natural disasters, and misinterpretation and misapplication of environmental laws. We strive to operate as environmentally friendly as possible, and it is here where we can see a partnership with the government.

The goal of conservation and environmental programs is to achieve the greatest environmental benefit with the resources available. One such program that achieves this is the Environmental Quality Incentive Program or EQIP. Cattle producers across the country participate in this program, but

arbitrarily setting numerical caps that render some producers eligible and others ineligible limits the success of the program. Addressing environmental solutions is not a large versus small operation issue. All producers have the responsibility to take care of the environment and their land, and should have the ability to participate in programs to assist them in establishing and reaching achievable environmental goals. Accordingly, all producers should be afforded equal access under programs such as EQIP.

Secondly, many producers would like to enroll in various USDA conservation programs such as CSP and CRP to reach environmental goals. However, to enroll in these programs requires the producer to stop productive economic activity on the land enrolled. We believe economic activity and conservation can go hand in hand. As such, we support the addition of provision in the next farm bill that will allow managed grazing on land enrolled in CRP. This will have tangible benefits on environmental quality, for example, helping to improve lands threatened by invasive plant species.

USDA's conservation programs are a great asset to cattle producers. We want to see them continued and refined to make them more producer friendly and more effective in protecting the environment in a sensible way.

Conclusion

Every day I see best management practices that have been carried out in our local watersheds on private land to protect water quality and to enhance wildlife. I am convinced that we are now seeing positive results such as reduced erosion and surface water sediments from our efforts in the past.

America's cattlemen are proud and independent. We want the opportunity to run our operations in the best way that we can to provide a quality product for the consumers of the world and to ensure economic vitality for future generations. We provide benefits such as the preservation of water quality and the enhancement of wildlife for everyone in our communities. We come to you in an effort to work together, to find new ways to use the limited funds available in the best way possible to conserve our resources, to build our industry and to provide for individual opportunities. We ask for nothing more than a Federal agriculture policy that helps build and improve the business climate for cattlemen.

Committee on Agriculture
U.S. House of Representatives
Information Required From Non-governmental Witnesses

House rules require non-governmental witnesses to provide their resume or biographical sketch prior to testifying. If you do not have a resume or biographical sketch available, please complete this form.

1. Name: Ernie Reeves
2. Business Address: 398 Mossy Creek Road
mt Solon VA 22843
3. Business Phone Number: 540/421-5370
4. Organization you represent: Virginia Cattlemans Assoc.
5. Please list any occupational, employment, or work-related experience you have which add to your qualification to provide testimony before the Committee:
Have served as leader in county,
state and national industry organizations.
Owner/Manager - Mossy Creek Farm - Diversified livestock
operation based in mt Solon, VA.
6. Please list any special training, education, or professional experience you have which add to your qualifications to provide testimony before the Committee:
B.S. Virginia Tech - Animal Science
M.S. Purdue Univ. - Production Management
7. If you are appearing on behalf of an organization, please list the capacity in which you are representing that organization, including any offices or elected positions you hold:
Past President - VA. Cattlemans Assoc.

PLEASE ATTACH THIS FORM OR YOUR BIOGRAPHY TO EACH COPY OF TESTIMONY.

Committee on Agriculture
U.S. House of Representatives
Required Witness Disclosure Form

House Rules* require nongovernmental witnesses to disclose the amount and source of Federal grants received since October 1, 2004.

Name: Ernie Reeves
Address: 3359 Scenic Highway
Telephone: Mt Sdon, VA 22843
540/421-5370
Organization you represent (if any): Virginia Cattlemen's Association

1. Please list any federal grants or contracts (including subgrants and subcontracts) you have received since October 1, 2004, as well as the source and the amount of each grant or contract. House Rules do **NOT** require disclosure of federal payments to individuals, such as Social Security or Medicare benefits, farm program payments, or assistance to agricultural producers:

Source: N/A Amount: 0
Source: _____ Amount: _____

2. If you are appearing on behalf of an organization, please list any federal grants or contracts (including subgrants and subcontracts) the organization has received since October 1, 2004, as well as the source and the amount of each grant or contract:

Source: N/A Amount: 0
Source: _____ Amount: _____

Please check here if this form is NOT applicable to you: _____

Signature: Ernie Reeves

* Rule XI, clause 2(g)(4) of the U.S. House of Representatives provides: *Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof. In the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include a curriculum vitae and a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by any entity represented by the witness.*

PLEASE ATTACH DISCLOSURE FORM TO EACH COPY OF TESTIMONY.